

Internal Audit Division
City of Greensboro



April 13, 2010

TO: Dan Curry, Acting Director of Housing & Community Development
FROM: Internal Audit Division
SUBJECT: Youth Focus, Inc. 2008-2009

The Internal Audit Division has performed our yearly monitoring of Youth Focus, Inc. which received an Emergency Operations Services Grant in the amount of \$28,819 from the City of Greensboro during the 2008 to 2009 grant year.

This Grant was used to provide necessary services to support the "Act Together Crisis Care" program. This program is a residential shelter and provides an array of supportive services for homeless youth and is located at 1601 Huffine Mill Road, Greensboro, NC. Funds could be used for operational costs such as staff and program salaries including fringe benefits; maintenance and security salaries; maintenance; insurance and utilities. Approximately 225 homeless youth were projected to be assisted.

We examined selected financial transactions and program documentation maintained by the agency for compliance with the contract and for assurance that program goals were achieved. Based on our review, it appears that the funds have been spent according to the terms of the contract with no exceptions noted.

We would like to thank Mr. Chuck Hodieme, Executive Director; Ms. Julie Pool, Business Manager; and the staff of Youth Focus, Inc. for their courtesy and cooperation shown to us during this visit. If there are any questions or comments concerning the details of this visit, we can be reached at 373-2821.

Mickey Kerans
Internal Auditor

Len Lucas
Internal Audit Director

Cc: Bob Morgan, Deputy City Manager
Andy Scott, Assistant City Manager for Economic Development
Chuck Hodieme, Executive Director of Youth Focus, Inc.

Date: April 8, 2010
To: Chuck Hoderne, CEO, Youth Focus
From: Michael Blair, City of Greensboro HCD
Program: Youth Focus - Act Together
Fiscal Year: FY08/09
Funding: \$28,819



Review of Eligibility & relation to the Consolidated Plan: The site visit of the facility provides assurance that indicated that the activity exclusively benefits youth based upon the category of limited-clientele presumed benefit. [24 CFR 570.208(a)(2)]. The participants in the program appeared to all be 18 years old or younger; the participant files reviewed (5 on-site) all contained documentation of participant age and reason for admittance to the program. The program relationship to 2005-2009 Consolidated Plan is Priority 2B-A.

Review of Cost Allowability: There were no obvious instances where expenditures were not necessary and reasonable for proper and efficient administration of the program per 24 CFR 85.22 and OMB Circular A87, Attachment B; and the city agreement. [24 CFR 570.502(a)(6)]. The Internal Audit report did not indicate ineligible costs per the agreement and neither did a HCD spot check based on OMB/CDBG rules.

Review of Procurement: A procurement review was conducted. All costs reimbursed were for administrative project delivery (salaries). As a reminder if any federal grant funds are used to purchase eligible items the procurement of goods and services must follow 24 CFR §85.36(d): (1) small purchase; (2) sealed bids; (3) competitive proposals; (4) noncompetitive proposals. File maintenance for purchases is recommended.

Review of Scope and services to be rendered: Approximately 225 youth would be served according to the agreement. In FY08/09 234 youth were actually served. This is close to a 60% bed utilization which is 3% higher than FY07/08. The average length of stay increased to 11.7 days from 10.5 the previous year.


Review of Client Files: The five files reviewed were in a logical order and well maintained. All included the contractually required Homelessness Verification and Community Development Household forms.


Review of Board Minutes: Minutes are maintained and are generally very understandable including the minutes where the external annual audit was reviewed and accepted by the board.

Concern: The minutes for the meeting on February 24, 2009 showed 9 members present. It was also the only copy of minutes that did not show "Members Absent". It appears that 9 members would not constitute a quorum as it appears that there were 19 members at the time.

Corrective Action: Since a motion was made and approved by 9 members please reply within 30 days from the date on this review and either confirm or refute the absence or existence of a quorum for the above meeting.

Summary: It is HCD staff opinion that Youth Focus - Act Together Crisis Care is an eligible and effective use of city Homelessness Prevention funding. The program appears to be an excellent alternative for minors who may have become homeless or facing some other family crisis. Performance records were understandable and there are no disqualifying financial concerns for future City funding. HCD staff appreciates the assistance provided during the monitoring visit by Youth Focus staff.


Michael Blair
Analyst Grants Compliance


Dan Curry
Acting Director HCD